

Lebanon Board of Finance

Minutes of June 18, 2013

Regular Meeting

Members present: Liz Charron, Chairman, Greg Lafontaine, Betsy Petrie, David Scata, Chuck Haralson

Alternates present: Edward Tytor

Member absent: Glen Coutu, Diane Malozzi

Selectmen: Joyce Okonuk

Veronica Calvert

Member of the Press

Interested citizen

Item A. Call to Order

The meeting was called to order at 7:00 p.m. by L. Charron. Ed Tytor will sit for Glen Coutu.

Item B. Review and Consider Accepting Minutes of previous Meetings

David Scata made a motion to accept the minutes of May 21, 2013 Regular Meeting. Seconded by Betsy Petrie. Motion passed with Chuck Haralson abstaining.

Greg Lafontaine made a motion to accept the minutes of June 10, 2013 Special Meeting. Seconded by Betsy Petrie. Motion passed with Chuck Haralson and Dave Scata abstaining.

Item C. Correspondence

E-mail received from Stephen Sams, Financial Advisor, Morgan Stanley Wealth Management. He had expressed interest in being an investment advisor. This e-mail is his contact information if the Board is interested in discussing with him. The Finance Director indicated she will send him the RFP.

Item D. Public Comments

Ron Cowles commented that there is diluted accountability by the Board of Finance and the schools. Funds have been pillaged. Should be much more debate over expenditures. There should also be authorization for every transaction. Should be a purchase order system in town. Don't trust Board of Finance, Town and school district. Should be doing everything in your power to spend wisely with the taxpayer in mind.

Item E. Town Monthly Expenditures, TIP, Contingency Balance and Fund Balance

Veronica reviewed some of the expenditures that will bring that line item over budget. Most items are okay.

Probate Court invoice received.

Town Report invoice was processed on June 6th.

#437 WPCA has 81% remaining.

The funds for the software for Town Clerk was decided last month to come from Contingency. Discussion of previous concern of auditor of funds coming from contingency this fiscal year. Software was ordered June 10th. Need to ensure that the expense is an expense for 2012-2013 Fiscal year.

Joyce Okonuk noted that Human Services will be over budget as two health orders have been received. Glen Lafontaine made a motion to authorize up to \$1,000.00 over expenditure in Department 445. Seconded by Edward Tytor. Motion passed unanimously.

Accounts with remaining amounts were discussed.

There may be a special meeting with the Board of Education to discuss fund balance at the end of June.

The TIP report adjustments have been made. Joyce Okonuk noted that there was a conversion to Cloud technology for the website , and there has been a renewal of software licenses speaking to Walker Group invoices.

Item F Sub committees

1. Update for Policies and Procedures

Gregg Lafontaine reported that Policies and Procedures had met on June 10th with the full board. They are working on policies and procedures for the Board of Finance rather than the finance office. A draft of one policy is enclosed in tonight's information. Will also be working on Finance Office policies and procedures after BOF policy and procedures completed. BOF will be meeting next Tuesday, June 25th to continue with leasing and fixed asset, TIP, CIP.

2. Update on capital planning

Betsy Petrie noted that another member is needed on Capital Subcommittee. Spoke to the goal that the capital process should ideally be prior to budget cycle, so that when budget is being worked on capital is nearly completed. Goal is to have capital committee met over the summer to work out process. Capital/TIP/SIP policies scheduled for review next special BOF meeting.

3. Investment Policy Subcommittee

It was agreed that this subcommittee is no longer needed as this is a BOS responsibility.

4. Budget process

The overall process will be documented by the Policies & procedures Subcommittee. The full BOF will be responsible for implementing the process each year. Gathering feedback from this past year experience was discussed and will be added to next regular meeting to review the last years process.

Item G New Business

1. Consider and Act on accepting an Agriculture CT Grown Joint Venture Grant from the Department of Agriculture for \$1,500.00. Grant requires matching funding from Account 230-00-000-2316-0000 in the amount of \$1,500.00.

This grant would be for promoting the Farmers Market through advertising. Chuck Haralson made a motion to accept the grant and expend matching funds from account #230-00-000-2316. Betsy Petrie seconded. Motion passed unanimously.

Discussion of future expenditures for Farmers Market since this is a one time grant. Chuck Haralson noted that all expenditures to date have been from funds from local businesses, Friends of the Market. Expects that to continue.

2. Consider and act on a request from Department 439, Cemetery, for an additional \$152.00 to cover recorder services for the Cemetery Commission monthly meetings, account number 100-00-439-5310-0000.

Discussion of previous funds over expended for this line item. Discussion of over expending on accounts. Departments should be more accountable for their budgets and tracking expenditures. No action taken on item #2.

3. Consider and act on the impact on Lebanon of the states approved budget for the 2013-14 fiscal year.

Discussion of the various items that received increased funding. Discussion of mil rate already being set. Any unanticipated revenue received from the state will be put into Fund Balance. David Scata noted that we don't know if we will get these funds next year and have to live within our means.

H. Other

Motion made by Betsy Petrie and seconded by Gregg Lafontaine to add to the agenda discussion of Building Department request for increased funding for mileage and forms for inspection of seasonal conversions. Motion passed unanimously.

Veronica Calvert discussed the e-mail she had received from Brandon Handfield, Chairman of the WPCA in which Brandon noted that WPCA has nothing to do with seasonal conversion inspections. This is a land use item. Discussion of WPCA refusing this expense. Discussion of reducing WPCA budget by \$500.00 and letting the Building Department over expend. The authority of the Board of Finance's ability to do this was questioned and discussed. Noted that extra funds for WPCA were put into their budget.

David Scata made a motion to rescind his motion made in the May 21, 2013 meeting regarding authorizing the over expenditure for mileage and two part inspection form for seasonal conversion inspections with funds to come from the WPCA account (Account 437). Seconded by Chuck Haralson. Motion passed unanimously. David Scata made a motion to authorize the Building Department to over expend by \$500.00 for mileage and seasonal conversion inspection forms. Seconded by Ed Tytor. Motion passed unanimously.

Motion made by Betsy Petrie to add discussion of the position of Finance Director. Seconded by Ed Tytor. Motion passed unanimously.

Joyce Okonuk gave information regarding the telephone compliance interview that was held with an Internal Revenue Service agent. It was discussed with the agent that Veronica had been acting as a consultant in the Finance Office for the past 1 ½ years. The agent notified Joyce Okonuk that this arrangement is not within IRS guidelines and that type of employment arrangement had to be corrected immediately. A direct hire offer was made to Veronica. This offer does not include paid sick or vacation time, it was offered but Veronica is not interested. It is an exempt 40 hr. per week position. Veronica

does have to contribute to the MERF fund. Veronica has accepted the position. This will become effective the first pay period in July. The Board welcomed Veronica as Finance Director.

I. Adjourn

Motion to adjourn was made by David Scata and seconded by Betsy Petrie. Meeting adjourned at 8:22 p.m.

Respectfully Submitted,

Kathleen E. Chapman

Board of Finance Clerk